

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6847

BILL NUMBER: SB 407

NOTE PREPARED: Feb 1, 2010

BILL AMENDED: Feb 1, 2010

SUBJECT: Various Motor Vehicle Matters.

FIRST AUTHOR: Sen. Arnold

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill:

(1) removes the requirement that the Bureau of Motor Vehicles (BMV) issue certain license plates biennially; (2) authorizes the BMV to adopt rules authorizing applicants for renewals and replacements of certain driver's licenses and identification cards to apply for the renewals and replacements by electronic service; and (3) requires certain applicants for replacement driver's licenses or permits or identification cards to provide proof of the change of mailing or residence address or name to the BMV.

The bill (4) makes conforming changes; and (5) deletes outdated references.

The bill also (6) repeals language: (A) requiring applications for personalized license plates to be accepted at any time for initial issuance of the plates for the following year; and (B) requiring a person who is the registered owner or lessee of a vehicle who is issued a personalized license plate to register the vehicle before May 1 of each year.

The bill also (7) establishes the Gold Star Family Member license plate and specifies that the Gold Star Family Member license plate is not a special group recognition license plate; (8) extends the availability for issuance of the Abraham Lincoln Bicentennial license plate and provides that an annual fee of \$25 be collected for issuance of the Abraham Lincoln Bicentennial license plate; and (9) makes a technical correction.

Effective Date: January 1, 2010 (retroactive); Upon passage; July 1, 2010.

Explanation of State Expenditures: (1) Removing the requirement of issuing certain license plates (low-

digit plates) biennially will have little, if any, fiscal impact on the BMV. Currently, the BMV issues about 23,000 low-digit plates annually, and about 40,000 PLPs annually. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

(2) Authorizing the BMV to have applicants for renewals and replacements of certain driver's licenses and identification cards by electronic service will save staff time at the BMV branches. The specific dollar savings is not known. In CY 2009, the BMV issued approximately 235,300 identification cards of all types and approximately 1.98 million licenses of all types.

(3) Requiring proof of address change for driver's licenses, permits, or identification cards will have no fiscal impact.

Gold Star Family Member License Plate: The Gold Star Family license plate became available in January 2010. The BMV created this plate on its own initiative, based on requests for this type of license plate. PEN PRODUCTS, the manufacturing arm of prison-made products, reports that 57 Gold Star Family Member license plates have been ordered as of January 28, 2010. There is no fee in addition to the regular registration fee for the plate. It is unknown the number of individuals who might purchase the new license plate.

The proposal also provides for the Gold Star Family Member license plate to be a personalized license plate if the purchaser so decides. The fee for a PLP is \$48, with \$37 to the State License Branch Fund; \$7 is deposited into the Motor Vehicle Highway Account (MVHA), and \$4 is deposited into the Crossroads 2000 Fund.

Background Information- Uses of the three funds include the following:

MVHA-

- (1) Construction, reconstruction, and maintenance
- (2) Purchase of rental and repair of highway equipment
- (3) Painting of bridges
- (4) Land acquisition
- (5) Construction of storage buildings

Crossroads 2000-

- (1) Highway bonding projects

State License Branch Fund-

Operation of license branches throughout the state

The following table shows the number of Indiana residents lost in wars beginning with WW II.

War	Number Lost
WW II	8,131
Korean Conflict	887
Vietnam Conflict	1,531
Gulf War	0
Enduring Freedom/Iraq Freedom	159*
Total	10,708
* As of January 25, 2010	

Explanation of State Revenues: *Abraham Lincoln Bicentennial License Plate:* This bill extends the authority for the Abraham Lincoln Bicentennial license plate until 2016 and creates the Indiana State Museum Foundation Trust Fund. It specifies a \$25 fee for the plate. Sales of the Abraham Lincoln Bicentennial license plate have averaged about 13,000 plates over CY 2008 and CY 2009. Based on the 13,000-plate average, revenue would amount to \$325,000 annually for the trust fund. However, sales could be reduced from prior levels due to the additional fee imposed on the plate.

Money in the Indiana State Museum Foundation Trust Fund is to be continuously appropriated. The Commissioner of the BMV is to administer the trust fund. Expenses of administering the fund are to be paid from the fund. On June 30 of each year the Commissioner of the BMV is to distribute money in fund to the Indiana State Museum Foundation for use concerning the Lincoln collection.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV.

Local Agencies Affected:

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